



EXECUTIVE CHAMBERS

HONOLULU

NEIL ABERCROMBIE
GOVERNOR

HOUSE FINANCE COMMITTEE
Representative Ryan I. Yamane, Chair
Representative Dee Morikawa, Vice Chair

January 24, 2012
10:00 am Room 308

Support for HB 1957
Relating to Health Care Information

Presented by Beth Giesting, Healthcare Transformation Coordinator

Chair Yamane, Vice-Chair Morikawa, members of the Health Committee, the Office of the Governor is in support of House Bill 1957, Relating to the Health Care Information.

We find that transforming the quality and sustainability of our health care system hinges on our effective use of Health Information Technology, most notably,

- 1) The widespread meaningful use of Electronic Health Records,
- 2) Appropriate exchange of health information, and
- 3) The development and use of health databases.

The exchange of health information is a critical factor for reducing system fragmentation; costly, dangerous duplication of services and decision-making and treatment delays. Its effective use will result in higher quality, increased patient and provider satisfaction, and lower costs.

The welter of conflicting rules and regulations related to exchange area a barrier to effective exchange that paralyze providers with concerns about unintentional breaches of the law. Relying on the federal law as the sole arbiter for health information exchange will greatly simplify providers' work and will support appropriate and much-needed health information exchange.

Thank you for the opportunity to offer our support.



NEIL ABERCROMBIE
GOVERNOR

BRIAN SCHATZ
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

KEALI'I S. LOPEZ
DIRECTOR

EVERETT KANESHIGE
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON HEALTH

TWENTY-SIXTH LEGISLATURE
Regular Session of 2012

Tuesday, January 24, 2012
10:00 a.m.

TESTIMONY ON HOUSE BILL NO. 1957 – RELATING TO HEALTH CARE INFORMATION.

TO THE HONORABLE RYAN I. YAMANE, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department takes no position on this bill which clarifies that persons and entities governed by HIPAA shall be in compliance with Hawaii's privacy laws and rules.

The regulation contemplated by this bill is not insurance regulation.

We thank the Committee for the opportunity to present testimony on this matter.



NEIL ABERCROMBIE
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KEALI'I S. LOPEZ
DIRECTOR

EVERETT KANESHIGE
DEPUTY DIRECTOR

PRESENTATION OF
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
REGULATED INDUSTRIES COMPLAINTS OFFICE

TO THE HOUSE COMMITTEE ON HEALTH

TWENTY-SIXTH STATE LEGISLATURE
REGULAR SESSION, 2012

TUESDAY, JANUARY 24, 2012
10:00 A.M.

TESTIMONY ON HOUSE BILL NO. 1957
RELATING TO HEALTH CARE INFORMATION

TO THE HONORABLE RYAN I. YAMANE, CHAIR,
AND TO THE HONORABLE DEE MORIKAWA, VICE CHAIR,
AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on House Bill No. 1957, Relating to Health Care Information. My name is Jo Ann Uchida, Complaints and Enforcement Officer of the Department's Regulated Industries Complaints Office ("RICO"). The Department offers the following comments on House Bill No. 1957.

House Bill No. 1957 provides that individuals and entities governed by the Health Insurance Portability and Accountability Act ("HIPAA") who disclose individually identifiable health information consistent with HIPAA regulations are

Testimony on House Bill No. 1957
January 24, 2012
Page 2

deemed in compliance with State privacy laws and rules. The Department respectfully requests that this Committee specify the existing State privacy statutes that would be impacted by this bill. Such clarification would assist the Department in establishing a protocol for subpoenaing records and in determining whether a licensee's disclosure conforms to applicable State and federal laws.

Thank you for the opportunity to testify on House Bill No. 1957. I will be happy to answer any questions the Committee members may have.

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

January 24, 2012

The Honorable I. Yamane, Chair
The Honorable Dee Morikawa, Vice Chair

House Committee on Health

Re: HB 1957 – Relating to Health Care Information

Dear Chair Yamane, Vice Chair Morikawa and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 1957, which clarifies that the use and or disclosure of certain health information consistent with federal Health Insurance Portability and Accountability Act (HIPAA) regulations, is deemed to be in compliance with Hawaii's privacy laws and rules.

Critical to Hawaii's success in creating an efficient health care system is the need for each individual's health care information to be efficiently shared amongst those persons and entities involved with the individual's health care. However, that efficiency must be balanced against the imperative to protect the individual's privacy. While HIPAA secured those privacy needs for each patient's personal health information with absolute, stringent requirements, the State has on its books a series of laws and rules governing that same set of information. That overlap creates an unnecessary burden for those involved with an individual's health care who need to share that information in an efficient manner. That has frustrated efforts to streamline the health care information system and, ultimately, delays efforts to make the health care system more cost effective and efficient. HB 1957 simply acknowledges that use of a patient's health care information in compliance with HIPAA's rigorous regulations also meets the requirements of our State's privacy laws and rules.

The Hawaii Health Information Exchange has made tremendous strides over the last two years to create that efficient, yet secure, system for the exchange of patients' health care information. HB 1957 will do much to reduce potential hurdles to achieving that goal. We ask that you pass HB 1957. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark K. Oto'.

Mark K. Oto
Director
Government Relations



**HAWAII HEALTH
INFORMATION CORPORATION**
Hawaii's source of healthcare data

www.hhic.org
phone: 808.534.0288
fax: 808.534.0292

January 23, 2012

Rep. Ryan I Yamane, Chair
House Health Committee
Hawaii State Legislature
State Capitol
Honolulu, HI 96813

Chairman Yamane,

The Hawaii Health Information Corporation supports HB 1957 – RELATING TO HEALTH CARE INFORMATION. HB 1957 harmonizes existing Hawaii statutes relating to the privacy and sharing of health care records into conformance with federal HIPAA requirements, as amended by the American Recovery and Reinvestment Act. This is very important for two reasons.

First, the plethora of approximately fifty statutory references to privacy is difficult for providers to understand and use. Bringing all into conformance with HIPAA will provide providers with the ability to more easily comply with one set of standards. Second, a single set of HIPAA compliant statutes will facilitate the exchange of clinical information by providers through the Hawaii Health Information Exchange (HHIE). By allowing for clinical information to be exchanged easily, more information will be available to providers of care, improving the quality of care to the patient.

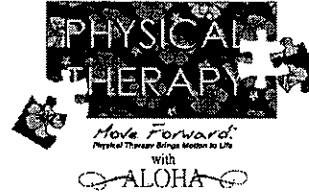
For these reasons, HHIC strongly supports HB 1957 and recommends its passage.

Sincerely,

Peter A. Sybinsky, Ph.D.
President & CEO

733 Bishop St. • Suite 1870 • Honolulu, HI 96813





House Health Committee
Tuesday, January 24, 2012
10:00 a.m.
Room 329

RE: HB 1957, RELATING TO HEALTH CARE INFORMATION

Good morning, Chair Yamane, Vice- Chair Morikawa and members of the Committee. On behalf of the Hawaii Chapter, American Physical Therapy Association ("HAPTA"), we are in **support** of HB 1957, relating to health care information.

This measure clarifies that persons and entities governed by the Health Insurance Portability and Accountability Act, who use or disclose individually identifiable health information that is consistent with the Health Insurance Portability and Accountability Act regulations, shall be deemed to be in compliance with Hawaii's privacy laws and rules.

We believe that this measure is an important step toward ensuring that health care professionals are not liable for potential inconsistencies between federal law and Hawaii laws which have not yet been harmonized.

HAPTA is a non-profit professional organization serving more than 250 member Physical Therapists and Physical Therapist Assistants. Our mission is to be the principal membership organization that represents and promotes the profession of Physical Therapy in the State of Hawaii.

Mahalo,

Ann Frost, P.T.
Legislative Committee Chair



HAWAII DISABILITY RIGHTS CENTER

1132 Bishop Street, Suite 2102, Honolulu, Hawaii 96813

Phone/TTY: (808) 949-2922 Toll Free: 1-800-882-1057 Fax: (808) 949-2928

E-mail: info@hawaiidisabilityrights.org Website: www.hawaiidisabilityrights.org

THE HOUSE OF REPRESENTATIVES THE TWENTY-SIXTH LEGISLATURE REGULAR SESSION OF 2012

Committee on Health Testimony in Support of H.B. 1957 Relating to Health Care Information

**Tuesday, January 24, 2012, 10:00A.M.
Conference Room 329**

Chair Yamane and Members of the Committee:

I am Louis Erteschik, Acting Executive Director of the Hawaii Disability Rights Center, and am testifying in support of this bill.

Certainly the right of privacy is as important to individuals with disabilities as it is to anyone else. Yet, it is true that the myriad of laws designed to protect this right of privacy have often been an obstacle to our obtaining records or other information that we need to assist these individuals. For that reason, we believe that a streamlining and a simplification of the process would actually be beneficial because it would increase our ability to provide better representation of our clients. The Federal HIPAA law is already sufficiently stringent so that there is little value in a state law that may be either more stringent or slightly different in a way that results in more confusion than benefit.

The current bill appears to be a work in progress and it may take further refinement to identify and clarify all the issues that need to be addressed. However, we definitely support the concept of what this bill is attempting to accomplish and would be happy to assist in any way.

Thank you for the opportunity to testify in support of this measure.



January 23, 2012

The Honorable Ryan Yamane, Chair
The Honorable Dee Morikawa, Vice Chair
House Committee on Health

Re: HB1957 – Relating to Health Care Information.

Honorable Chair Yamane, Vice Chair Morikawa, and Members of the Committee:

Hawai'i Health Information Exchange (Hawai'i HIE) strongly supports HB1957 – Relating to Health Care Information, which is intended to harmonize the laws that govern the exchange of personal health data.

Health care providers and their business associates face a bewildering patchwork of state privacy laws that are extremely difficult to understand and adhere to. This inhibits the health care industry from exchanging appropriate health data and effectively providing quality care to the patient.

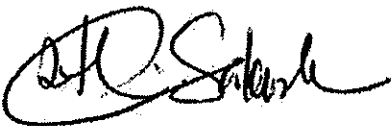
This proposed act seeks to simplify compliance of protected personal health data by adherence to existing stringent federal privacy laws. As stated in HB1957, "The legislature finds that the privacy of patients' individually identifiable health information has been greatly enhanced by the Health Insurance Portability and Accountability Act (HIPAA) of 1996 ... and related federal laws and regulations. The federal regulatory scheme encourages the use of electronic transmission of individually identifiable health information in a more secure setting, such as through a health information exchange, that allows health care information to be shared among health care providers in a more timely and secure manner, with important benefits for patients."

The Hawai'i Health Information Exchange (Hawai'i HIE) is a 501(c)(3) non-profit established in 2006 by leading health care stakeholders in Hawai'i for the purpose of improving health care delivery throughout the state through seamless, effective, and secure health information exchange. The organization is supported by a broad range of board members from all sectors of the health care community, who are determined to transform the state of health care in Hawai'i to one that is more coordinated and patient-centric.

In September of 2009, Hawai'i HIE was designated by the state to develop and implement a statewide health information exchange, which will ultimately feed into the national health information network.

Hawai'i HIE understands the needs of the health care community to be able to safely and securely share personal health information in order to provide the finest and most efficient care to Hawai'i's patients. For the aforementioned reasons, Hawai'i HIE strongly supports HB1957.

Christine Ma'i Sakuda



Executive Director
Hawai'i Health Information Exchange